

**MEMORANDUM**

DATE: March 2, 2005
TO: Interested Parties
FROM: Melissa Trustman, Director, Government Relations
SUBJECT: Franchise Fees

The Detroit Regional Chamber does not have policy specific to franchise fees. We hope for a resolution to the issue that will be fair to consumers and service providers. The principles we have established for telecommunications and broadband deployment emphasize the need for a competitive marketplace that includes choices for consumers.

Established in 2005, our telecommunications policy states:

Federal, state and local policy makers should adopt policies that empower the telecommunications marketplace to provide Michigan consumers with choices in technology and products at competitive prices. Concurrently, policy makers should ensure that service providers are not subject to economically unsustainable regulations. Policies should be competitively and technologically neutral.

Additionally, our policy on broadband deployment established in 2001 states:

- Private sector deployment and ownership of broadband networks is the most efficient manner of delivering high-speed services to customers who want them
- Existing state and local laws and regulations that discourage or delay deployment should be eliminated. Don't substitute excessive regulation at one level of government for excessive regulation at a different level
- A "level playing field" among all providers of broadband services—wireline, cable, satellite, and wireless—will encourage maximum deployment
- Attempts by government entities to impose excessive fees (fees not based on actual costs) on broadband providers should be prohibited
- No new taxes should be imposed on the infrastructure needed to provide broadband services.

Again, we emphasize the need to find a market-based solution that works within our existing policies. If you have any questions, please feel free to contact me at 313.596.0409 or mtrustman@detroitchamber.com